World Bank and IMF conditionalities on concessional Loans

2736. SHRI MURLIDHAR CHANDRAKANT BHANDARE: Will the Minister of FINANCE be pleased to state:

(a) whether at the recent talks with IMF and World Bank it was made clear that concessional loans would be subject to conditionalities on military spending; and

(b) if so, what is the nature and extent of conditionalities contemplated?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) No, Sir.

(b) Does not arise.

Check in Malpractices by Bank officers

2737. SHRI S. MADHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the resolutions passed by the Tamil Nadu Unit of Indian National Bank Officers Congress suggesting some measures to curb the malpractices and misuse of public money by the top officers of the banks;

(b) if so, what action has been taken by Government thereon;

(c) whether there is any proposal to set up an independent high-level machinery to check such malpractices; and

(d) what steps have been taken by Government to curb the malpractices and misuse of public money by the Bank officers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) Indian Banks' Association has reported that the Tamil Nadu Unit of Indian National Bank Officers Congress in its Annual General Meeting held recently passed resolution suggesting *inter-alia* to set up a high level body to go into irregular advances to big borrowers and the involvement of bank executives.

(b) to (d) There is no proposal under consideration of the Government to set up an independent high-level machinery to check such malpractices. However, vigilance machinery is functioning in all the public sector banks. Government has decided to post Chief Vigilance Officer to a particular public sector bank on deputation from other banks. All cases of frauds in which bank officers are involved come under the purview of vigilance machinery. Vigilance cases of officers in Scale III and above are dealt with in consultation with Central Vigilance Commission. A Special Investigation Cell exists in RBI to investigate major frauds. The C.B.I. also has jurisdiction over such cases in banks. Reserve Bank of India has also issued guidelines to banks *inter-alia* advising them to strengthen the control mechanisms with a view to eliminating scope for malpractices.

Assistance to Sugar Factories by Financial Institutions

2738. SHRI S. MADHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether the applications for financial assistane from the sugar factories licensed between the years 1988 to 1991 are pending with the financial institutions and if so, what are the details in this regard;

(b) whether the financial institutions are reluctant to advance finances for setting up of new sugar factories on account of their non-viability; and

(c) if so, what steps are being taken to fund the sugar factories already licensed by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) The Industrial Development Bank of India (IDBI) has

reported that 48 applications for financial assistance from grass root sugar factories licensed between 1988 and 1991 are pending with the institutions. The details are given in the attached statement. *(See* below)

(b) and (c) In view of the steep increase in the capital cost of new grass root sugar projects of 2500 TCD, without a corresponding increase in the price of sugar, and the inadequate quantum of incentives in the shape of the proportion of free sale sugar based on the normative cost of Rs. 21 crores prevailing in 1987 as against the present day cost of Rs. 34-35 crores, the viability of such projects has become doubtful on the basis of the normal debt-equity ratio of 60 : 40. Government are, however, aware of the need for revision in the incentives, as also other steps necessary for improving the viability position of sugar projects.

Statement

1. Shivshakti Adivasi SSK Ltd.
2. Akola Zilla SSK Ltd.
3. Sant Muktabai SSK Ltd.
4. Ram Ganesh Gadkari SSK Ltd.
5. Shetkari SSK Ltd.
6. Amba SSK Ltd.
7. Kondeshwar SSK Ltd.
8. Jarandeshwar SSK Ltd.
9. Sangola Taluka SSK Ltd.
10. Kedareshawar SSK Ltd.
11. Vidarabha SSK Ltd.
12. Shree Bageshwari SSK Ltd.
13. Indira SSK Ltd., Prabhani.
14. Indira SSK Ltd., Sholapur.
15. Jai Ambika SSK Ltd.
16. Shri Sant Tukaram SSK Ltd.
17. Shivajirao Patil Nilangekar SSK Ltd.
18. Ghodganga SSK Ltd.
19. Balaghat Shetkari SSK Ltd.
20. Ajara SSK Ltd.
21. Pushpadanteshwar SSK Ltd.
22. Pudmashree Dr. Vittal Rao Vikhe Patil SSK Ltd.
23. Narsimha SSK Ltd.
24. Bhaurao Chavan SSK Ltd.
25. Jath Taluka SSK Ltd.
26. The Pushpawati SSK Ltd.
27. Jaiwantrao Patil SSK Ltd.
28. Shri Kaveri Vibhag SKUM Ltd.
29. Shri Narmada Khand Udyog Ltd.
30. Shri Ukai Pradesh SKUM Ltd.
31. Vadodara Dist. Sugarcane Growers Union SKUM Ltd.
32. Bhagya Lakshmi SSK Ltd.
33. Krishna SSK Ltd.
34. Naranja SSK Ltd.
35. Bannari Amman Sugars Ltd.
36. Agauta Sugars Ltd.
37. Modi Sugars Ltd.
38. Balrampur Chini Mills Ltd., Unit Ramgarh.
39. KSCM, Chilwaria,
40. Orient Cane Sugar Ind. Ltd.
41. Bhopal Sugars Company Ltd.
42. Orissa Sugars Ltd.
43. Arantangi Sugars Co-op. Ltd.
44. Sugontham Sugars Ltd.
45. Dosuya Co-op. Sugar Mills Ltd.
46. Amloh Ex-Servicemen Co-op. Sugar Factory & Allied Ind. Ltd.
47. Patran Co-op. Sugar Mills Ltd.
48. Rana Sugars Ltd.

Transfer Policy for officers of ICAS

2739. SHRI JAGDISH PRASAD MATHUR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that as per the approved policy of rotation of officers of the Indan Cost Accounts Service, it has been decided that on promotion, officer would be compulsorily transferred;

(b) if so, how this criteria was ignored in the recent posting of Advisor Cost in the BICP; and

(c) what are the reasons that some officers of Indian Cost Accounts Service have stayed for over 10 years in one post and have not been transferred?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHANTARAM POTDUKHE): (a) and (b) As per the rotational transfer policy for ICAS officers approved in August 1989, any Assistant Director (Cost) on his promotion to the post of Deputy Director (Cost) should be invariably transferred out of the organisation in